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SUMMARY RECORD OF THE 23rd MEETING

Chairman: Mr. KHAN (Pakistan)

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The meeting was called to order at 10.20 a.m.

AGENDA ITEM 88: SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION
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- (a) TRADE AND DEVELOPMENT (A/49/15 (vols. I and II), A/49/227 and Add.1-2, A/49/228-S/1994/827, A/49/277, A/49/363)
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General debate (continued)

1. Mr. NYAWOUAME (Togo) said that international cooperation to eradicate poverty in developing countries was in essence a problem of morality. Since the end of the cold war the international community had paid increasing attention to social development issues. Nevertheless, far from being eradicated, poverty was becoming a universal problem affecting both the so-called countries in transition and even developed countries. The situation was most disquieting in the least developed countries in general, and in particular those of sub-Saharan Africa. In those countries there were many without drinking water or health care and many suffered from malnutrition, their situation being further aggravated by civil war, which often reduced them to destitution. The international community had taken a number of measures, in particular the fourth International Development Strategy, and had launched several complementary special programmes based on the needs of vulnerable groups, job creation and implementation at the national level of food security programmes. But primary responsibility for resolving the problem of poverty lay with those affected,

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with assistance from the international community serving to buttress their efforts.

2. Togo had taken a number of steps to alleviate poverty. It was striving for food self-sufficiency in the context of its green revolution policy, through, inter alia, agricultural prices and a start-up grant for young farmers. In terms of employment, the Government had launched a broad "employment-training" programme, intended to promote the employment of young graduates and encourage private enterprise through feasibility studies on establishing fundable small-scale projects and enabling developers to set up small production units. Over the years the programme had resulted in the absorption of a substantial number of unemployed young people. His delegation acknowledged the goodwill which had sustained the programme and called upon the international community to provide financial support to ensure its survival. The Government had established an industrial free zone at Lomé.

3. No country, however powerful, could assure its prosperity alone. A favourable external environment was necessary, and the international community must address the roots of that problem. The least developed countries still lacked capital owing to indebtedness and the constant fall in official development assistance (ODA), which remained far below the target of 0.7 per cent of gross national product (GNP) of donor countries. In addition there were structural adjustment problems, whose prescriptions calling for slimming down of the public sector and reduced social expenditure were such as to reduce the already meagre resources allocated to education, health and social protection.

4. To tackle poverty, those problems must be solved through concrete actions: it was essential to quite simply cancel the debt of African countries and of the poorest countries if current policies were to create genuinely productive employment. There was also an urgent need to establish a diversification fund for African commodities. Togo supported the Secretary-General's proposal for an international conference on development. But the international community must also honour the different commitments undertaken in several recent major instruments (Agenda 21, Rio Declaration, United Nations New Agenda for the Development of Africa in the 1990s, Cartagena Commitment, Paris Programme of Action for the Least Developed Countries for the 1990s). The agenda for development should give renewed impetus to efforts to combat hunger, malnutrition and poverty.

5. His delegation welcomed the measures taken to observe the International Year for the Eradication of Poverty (see A/49/572) and the conclusions of the International Conference on Population and Development, held at Cairo, and noted with satisfaction that a large number of States had recently signed at Paris the International Convention to Combat Desertification. He commended the joint efforts of UNDP and FAO to promote sustainable food security in low-income food deficit countries. Yet for measures to eliminate poverty to be more effective, the World Summit for Social Development, at Copenhagen, must clearly define the different forms of poverty and provide guidance on action to be taken in each case.

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6. Attainment of the full dignity of the human being demanded a substantial reduction in economic and social inequality. While reaffirming the primary responsibility of States, his delegation called for a collective raising of awareness to eliminate the factors perpetuating poverty.

7. Mr. HAAKONSEN (Denmark), speaking on behalf of the Nordic countries, said that it was regrettable that after decades of dedicated work for the alleviation of poverty more than a billion of the world's population, almost one third of the population of developing countries, still lived in absolute poverty. Alleviation of poverty must be at the top of the international agenda. World focus was very much on humanitarian assistance, but aid could only alleviate the symptoms of poverty, whereas it must be fought at its roots through policies to secure food production and make available affordable housing. The main responsibility for combating poverty lay with countries themselves, each of which must formulate policies to ensure the fulfilment of basic needs and to enable all individuals to develop their human and economic potential.

8. For the Nordic countries, the overall goal in development cooperation was the eradication of poverty, namely, the improvement of the standard of living of poor people in a sustainable manner. In the longer term that was not possible unless the economy grew faster than the population. Broadly based sustained economic growth must thus be in the forefront, not as an end in itself but as a means of achieving sustainable human development. The opportunities produced by economic growth must be accessible to all. Economic growth required policies that were conducive to investment and entrepreneurship as well as structural reforms to promote an open market economy. Governments should ensure that economic growth was environmentally sustainable. It was also important to develop human resources through education and health, including reproductive health.

9. In order to improve the quality of life, it was important to provide security for people in their daily lives: individuals should not have to fear hunger, disease, unemployment or any form of harassment. That implied respect for human rights and ethnic and cultural diversity. Poor people must be empowered to provide for their own requirements by utilizing their own productive capacity and by participating in decisions which affected their lives. That was particularly true of women: the feminization of poverty was alarming, yet investment in the human capital which they represented would yield great economic and social returns; women must have equal access with men to education and health, be able to own land and participate in the political and economic life of their country, and have access to education, health, credit and income opportunities.

10. It was essential that the international community should recognize the decisive role it had to play in the creation of a favourable external economic environment and improving market access for products from the developing countries. It would be appropriate to allocate an increased proportion both of national budgets and official development assistance (ODA) to the realization of the most important human development objectives. It was imperative that donor countries should allocate 0.7 per cent of their GNP to official development

assistance in order to genuinely assist developing countries in their fight against poverty.

11. The alleviation of poverty would be at the top of the agenda at the World Summit for Social Development, to be held in Copenhagen in March 1995. It would be important to define a common strategy to prevent poverty and to combat unemployment and social exclusion. A new human-centred and socially-oriented approach to development could perhaps result from the series of conferences and summits from the Rio Conference (1992) to the Istanbul Conference (1996).

12. Mr. PASZYNSKI (Poland) said that countries in transition could only be integrated into the world economy if they pursued appropriate economic policies and created a favourable legal and institutional framework. Poland had pursued the systematic and structural transformation of its economy with the greatest vigour, despite the enormous social cost of the change. The modernization and restructuring of the Polish economy was continuing, particularly in the private sector, which was currently employing more than two thirds of the Polish labour force. Commercial legislation was being recast in order to bring Polish law into line with the standards of the European Union. The market, the stock exchange and banking intermediation were continually being expanded. Poland had adopted stringent fiscal and monetary policies to lower inflation and make its products more competitive abroad and at home, and had become open to direct and portfolio foreign investment.

13. Since it attached great importance to the improvement of the multilateral rules of trade and to the framework of international economic cooperation, Poland had taken an active part in the Uruguay Round of multilateral trade negotiations and hoped to take an active part in the work of the World Trade Organization (WTO). It had accepted the discipline demanded by international financial and monetary institutions. It hoped that its currency would soon be fully convertible, and was seeking join regional groupings.

14. However, those strenuous efforts were not sufficient to guarantee complete integration in the world economy. Poland also needed access to foreign markets. However, despite the liberalization resulting from the Uruguay Round discussions, some pockets of protectionism were still preventing Polish products from fully exploiting the possibilities of international exchanges and, paradoxically, the harder freedom of trade was sought, the more deeply entrenched those enclaves became.

15. In the transition to a market economy, certain imports needed to be accelerated, and there could be temporary imbalances in current accounts. The transition economies were not in a position of strength in major international trade negotiations, and they therefore attached great importance to the establishment of a system for the settlement of trade disputes.

16. The integration of the economies of countries in transition into the world economy was a very important historical, political, social and economic process, which called for imaginative policies, especially at the social level. United Nations agencies had a major role to play in considering those issues and should

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further facilitate the transition by offering their analytical capability and their organizational and technical assistance services. It was surprising, for example, that after the collapse of communism, new mechanisms had not been established to meet the challenge of transition and to take advantage of the great possibilities offered. The General Assembly should continue to examine the problem of the integration of the economies of countries in transition into the world economy every two years, on the basis of analytical reports.

17. With regard to the United Nations Conference on Human Settlements (Habitat II), human settlements constituted a vast potential for international cooperation to achieve the objectives of sustainable development as envisaged in Agenda 21 (especially chapter 7). The United Nations Centre for Human Settlements (UNCHS) had a vital role to play in the preparations for that Conference, a process which was entering a crucial phase. The developing countries were in desperate need of the resources and technology necessary for solving the problem of human settlements, and Governments, scientists, organizations, the private sector and the international community should seek to find a way to fill that need. In the light of the lessons learned from Habitat I, a new global human settlements policy should be drawn up, together with new international criteria for the planning, development and long-term management of human settlements, and special attention should be paid to coastal areas, heavily industrialized regions and other vulnerable areas. The Committee of Permanent Representatives to UNCHS at Nairobi had been actively engaged in preparing a draft resolution on Habitat II, to be considered by the General Assembly at its forty-ninth session. Poland fully subscribed to that text and considered that the Committee should continue to play an important role in the preparations for Habitat II, in close cooperation with the secretariat of UNCHS.

18. Mrs. AMERASEKARE (Sri Lanka) noted that different views had been expressed on the manner in which the problem of poverty should be approached during the informal consultations of the Preparatory Committee for the World Summit on Social Development. Sri Lanka considered that two lines of approach were necessary, combining long-term measures for economic growth and short-term measures to alleviate poverty, since the development of human resources was a prerequisite for economic growth.

19. That strategy had been employed in the south Asian region and had had the following effects: (i) poor people had benefited in areas where there had been systematic emphasis on agricultural development and food production; (ii) in countries or regions within countries where a serious interest was taken in social development programmes, significant results had been achieved even at very low levels of per capita income; (iii) in cases where substantial financial resources were available, it had been possible to alleviate poverty through the delivery of inputs to the poor for production in selected sectors.

20. Experience had thus shown that both short-term development measures (such as income transfers) and long-term measures (such as agricultural and industrial development) could have a positive effect on the poorer segments of the population.

21. In the States members of the South Asian Association for Regional Cooperation (SAARC), which accounted for over a fifth of the world's population, 30 to 40 per cent of the population had been living below the poverty line in 1991. It had been estimated that it would take a growth rate of 9 per cent per year over 10 years in order to raise that portion of the population above the poverty line - an ambitious goal, but achievable if every country made the necessary effort.

22. Her Government had taken both short- and long-term measures to eradicate poverty. It had launched a movement focused at the level of the family to benefit youth, women and other disadvantaged groups and to stimulate social mobilization for development projects. The family-level activities would be linked to community projects and to district and provincial development programmes. The promotion of social integration and human resources development were two important aspects of the movement.

23. The success of all those efforts would depend on political commitment at both the national and international levels. International efforts were needed to create a supportive environment. Not all countries would benefit equally from the conclusion of the Uruguay Round of multilateral trade negotiations. Countries that exported raw materials and countries that were net importers of foodstuffs would be adversely affected and should be given multilateral and bilateral financial and technical assistance through the adjustment phase.

24. It was gratifying to learn that the preparations for the United Nations Conference on Human Settlements (Habitat II) were proceeding well. Habitat II would have to address the problems of overcrowded urban centres, slums and shanty towns - phenomena resulting from urban migration which was a problem that urgently needed to be addressed.

25. The Secretary-General of Habitat II had projected that by the year 2020, 54 per cent of the population in Africa and 56 per cent of the population in Asia would be living in cities. An important part of economic activity, namely, food production and the production of raw materials, took place in rural areas, which required basic services and community infrastructure in order to be able to provide food security to the community in general and to urban communities in particular. Habitat II should focus attention on the use of locally available raw materials and the development of products that could be manufactured in rural areas using labour-intensive methods in order to create employment in rural areas and slow the process of urban migration. Her delegation supported the proposal to hold a third session of the Preparatory Committee for Habitat II in New York.

26. Mr. WISNUMURTI (Indonesia) noted with satisfaction that the Secretary-General, in document A/49/542, had recommended renewal of the dialogue on the strengthening of international economic cooperation for development through partnership. Too often, programmes of action and commitments on international economic cooperation had yielded few results in the absence of real dialogue between countries.

27. The demise of the cold war had opened up new prospects for more constructive dialogue and a genuine partnership for strengthening international cooperation for development. Old problems persisted, while new ones had emerged, made all the more complex by globalization and the increasing interdependence of countries. Those factors made it essential to find a new spirit of international cooperation for development.

28. Renewed dialogue would be an arduous process, because it would require a consensus that was more than mere façade and involved participation of the main international groups concerned. As the Secretary-General had noted, the United Nations had a primary role to play in that regard. It should indeed be possible to take advantage of the presence of high-level representatives during the early part of the General Assembly's sessions to organize a high-level dialogue on a major theme in plenary meetings. The fiftieth anniversary of the Organization could be the occasion to cement an agreement on a new agenda for development and initiate a new phase of the dialogue within the United Nations.

29. International trade was a question that interested both developed and developing countries. He concurred with the comment in the report of the Trade and Development Board (A/49/15, vol. I and II) that the successful conclusion of the Uruguay Round and the signing of the Final Act at Marrakesh was a milestone in the evolution of international economic relations. The agreements concluded should be promptly ratified. The future WTO should uphold the principles agreed upon concerning the rights and interests of the weaker countries and more vulnerable trading partners. The principle of comparative advantage must be upheld at all costs. The least developed countries, especially in Africa, were likely to face the most difficult problems. For that reason, he welcomed the conclusion of the Trade and Development Board that a "safety net" should be provided for such countries to assist them in dealing with the transitional costs of adjustment. The issue of international cooperation for the eradication of poverty in developing countries could be a theme conducive to constructive dialogue. Indonesia had made major progress in combating poverty. The percentage of its population in absolute poverty had declined from 60 per cent to 15 per cent over the last 30 years because of two major factors: rapid and sustained economic growth, especially in the agricultural sector and the labour-intensive manufacturing sector, and an array of measures designed to improve the health and educational levels of the poor and to slow population growth rates while providing adequate social and physical infrastructure.

30. By those means the poor would gain access to, and participate in, the advantages of growth. The introduction of certain social clauses, relating in particular to labour standards, would only serve to undermine some of the remaining comparative advantages of developing countries and to limit the access of their people to employment opportunities. That did not mean that Indonesia was not concerned about raising the standard of living of its people; it merely wished to ensure that the process did not result in instability and that the level of development in different countries was given due consideration.

31. Another problem closely associated with poverty alleviation was that of food and agricultural development. The rapid development of the agricultural

sector had been of central importance in Indonesia in combating poverty. Agricultural breakthroughs had resulted in an increase in rice crop production by nearly 5.3 per cent per year during the 1970s and the early 1980s. High investment inputs and pricing and stabilization policies had also played a decisive role.

32. Such policies had not only helped to free the poor from hunger and malnutrition, but had contributed towards sustainable growth. The eradication of poverty also required an enabling external environment which would facilitate access to markets and technology and financial flows. The International Fund for Agriculture and Development (IFAD) had played a constructive role in assisting the developing countries to increase their food production capacity and to combat poverty. The international community should increase its support to IFAD; at the fourth replenishment of IFAD funds, Indonesia had been able to increase its pledge to US\$ 10 million. His delegation fully supported the Director-General of the Food and Agriculture Organization (FAO) in his call to convene a world food summit as a means of promoting cooperation and formulating a food security programme of action.

33. Mr. PIBULSONGGRAM (Thailand) noted that the solution to many domestic and external problems of economic development lay in large part with the expansion of multilateral trade opportunities. As underlined by the Trade and Development Board, increased integration of developing countries into the world economy was of great importance. In the view of his delegation, such increased integration reflected the growing confidence of the developing countries in the new international trading system, which should be complemented by the ratification and full implementation of the Uruguay Round and by the establishment of WTO, the relationship between the United Nations and which should be the same as that between it and the World Bank, the International Monetary Fund (IMF) and the World Intellectual Property Organization (WIPO). Ratification of the Marrakesh Agreement would greatly aid developing countries to expedite their structural adjustment programmes.

34. Promoting participation and integration also required the international community to place more emphasis on multilateral negotiation, in which the United Nations Conference on Trade and Development (UNCTAD) had a key role to play by acting as a forum for intergovernmental consultation, policy analysis and negotiation. Moreover, UNCTAD should provide the developing countries, particularly the least developed countries (LDCs) the means to participate more effectively in multilateral trade negotiations and to contribute to forging the new partnership for development called for by the Cartagena Commitment. The restructuring of the Trade and Development Board, reported in document A/49/363, should be very useful in that regard.

35. The globalization of economic activity and the growing interdependence among countries had limited the autonomy of Governments in the conduct of national economic development, but that did not lessen the importance of their role in trade and development. In facing the challenges of development, Governments had to contribute to the prosperity of their peoples and to development. It was important for all member States to engage in a constructive

dialogue, based on mutual interest, interdependence and partnership. Additional attention should be given to the least developed countries, where development constituted a higher priority than structural adjustment. Only through such arrangements could the spirit of the Cartagena Commitment be fulfilled. In that regard, the Secretary-General's proposal to hold special sessions of the General Assembly on international economic cooperation deserved further consideration.

36. The issue of commodities was of great concern to the developing countries, since in many of them, the production and export of commodities were the principal activities generating income, employment, savings and external resources. A cooperative effort by producers and consumers was needed; that had been shown by the purchase of buffer-stocks by the International Natural Rubber Organization (INRO), which had kept prices relatively stable.

37. The process of globalization had had a powerful impact on all member States, particularly in relation to the economy and development, in which international industrial cooperation played a major role. It was good that the United Nations Industrial Development Organization (UNIDO) had set its new priorities and incorporated technological transfer and human resource development into its goals. Thailand looked forward to cooperating with UNIDO in that field.

38. The eradication of poverty in developing countries would lead to more equitable global prosperity. In that connection, the mobilization of external resources was crucial for poverty alleviation programmes. In order to accelerate the flow of resources to such programmes, donors should fulfil the aid targets to which they had agreed. Thailand looked forward to the debate which would be held on that topic at the World Summit for Social Development.

39. Lastly, with regard to the United Nations Centre for Human Settlements, Thailand supported the Secretary-General's view on the need to incorporate in the global plan of action tangible means of enhancing the implementation of preceding decisions. Unfortunately, interest in and financial contributions to the preparatory process had been insufficient.

40. Thailand was concerned to provide housing for low-income urban residents, and had integrated environmental improvement, income generation, betterment of the quality of life and community self-help efforts in its national housing strategy.

41. Sustainable development being multi-dimensional, it was important to address all such issues, and Thailand looked forward to continuing its cooperation with the United Nations and its agencies and with other Member States in fulfilling the commitments of the Uruguay Round and Cartagena.

42. Mr. AHMED (Bangladesh) welcomed the conclusion of the Final Act of the Uruguay Round of multilateral trade negotiations; he hoped that it would be quickly ratified by all States and that it would permit the establishment of a rule-based and transparent international trading system.

43. However, he feared that some of the provisions adopted on that occasion might negatively affect some developing countries, especially the LDCs. Therefore, it seemed essential to him that those countries should be accorded preferential treatment so as to allow them also to benefit from the liberalization of trade. For that purpose, their improved access to markets and the elimination of tariff and non-tariff barriers to their exports, for example those involving environmental or other conditionalities, must be expedited. Compensatory measures needed to be implemented to assist LDCs, particularly net food importing countries, to attract direct investment and diversify their economies.

44. WTO, the establishment of which was provided for in the Final Act, would have to cooperate closely with UNCTAD, whose role as a forum for policy analysis, consensus-building and technical cooperation was well recognized. UNCTAD's reports on trade and development had proven to be extremely useful. His delegation felt strongly that UNCTAD should be provided with adequate resources to respond to the new order in international trade.

45. At its spring session, UNCTAD had recommended various measures to make the necessary preparations for a high-level mid-term global review of the Programme of Action for the LDCs for the 1990s. That review was even more significant due to the rapid increase in the number of LDCs. Participation of high-level delegations from the developed countries was essential, but it was also necessary to finance the representation of the LDCs in order to enable their full and active participation in the process. Moreover, the capability of UNCTAD had to be strengthened in order to carry out the preparatory activities effectively and implement the recommendations of the review meeting.

46. A major challenge for the international community was the fact that over 1.2 billion people now lived below the poverty line. The causes of poverty were varied and complex, and to alleviate it would require increasing domestic saving, investing in productive sectors, diversifying the economy and creating a favourable international economic environment. In the circumstances, it was gratifying that the eradication of poverty was receiving special attention from the international community, as was attested by the conclusions of the International Conference on Population and Development, the agenda of the forthcoming World Summit for Social Development, the Fourth World Conference on Women and the decision to proclaim 1996 International Year for the Eradication of Poverty.

47. Bangladesh had made poverty eradication an absolute priority, and allocation for agriculture, health, education and family welfare now represented over 30 per cent of the State budget. As a result, progress had been made in agricultural and food production, industrial development in rural areas, the consolidation of small labour-intensive industries, access by landless farmers to public and private sectors credit, and assistance to disadvantaged women wishing to engage in income-generating activities.

48. Mr. Wonil CHO (Republic of Korea) welcomed the forthcoming establishment of the World Trade Organization and hoped that the Final Act signed at Marrakesh would be ratified promptly by all States. Although he was aware of the concerns about its implementation that had been raised by some developing countries, he hoped that the impetus it should give to world trade would benefit both developing and developed countries. Encouraged by reforms introduced in the developing countries, the developed countries should, in a context of renewed North-South cooperation, expand their investments and capital inputs, transfer technologies, assist in the development of human resources and alleviate the debt burden of the least developed countries.

49. Today, about one seventh of the world population suffered from hunger and malnutrition. Food shortages were one of the main factors contributing to social disintegration in the developing countries. Establishing conditions conducive to sustainable food security was crucial to economic growth. Considering the steady deterioration of the natural ecosystem, which formed the basis of food production, food security was clearly the shared responsibility of developed and developing countries. Technology transfer for improved agricultural productivity was therefore crucial. That was why the Republic of Korea, through the Korea International Cooperation Agency, provided developing countries with technical assistance in that field.

50. The developing countries were all too dependent on price fluctuations on the international commodity markets. As the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD) had proposed in his report (A/49/226), they should pursue a policy of linkage creation by exporting manufactured value-added products and give top priority to reforms that would facilitate exports. The developed countries and the multilateral financial institutions, for their part, should provide adequate assistance to developing countries to enable them to become more competitive on international markets and accelerate the diversification process.

51. Many countries, particularly the least developed among them, were confronted with absolute poverty, which they should tackle by focusing on sound economic policy and good governance in order to foster political stability. Governments should take measures to reduce unemployment by taking steps to reduce poverty in urban areas and to develop rural areas. As was stipulated in Agenda 21, since the fight against poverty was the shared responsibility of all States, the international community should redouble its efforts to that end. The delegation of the Republic of Korea had high expectations of an agenda for development and hoped that the World Summit for Social Development would afford an opportunity for devising, with the cooperation of all, an effective plan of action for poverty eradication.

52. The economies in transition had made major strides towards market-oriented economies but had met with great difficulties in the process. Their integration into the world economy, through the development of their exports and the implementation of structural adjustment policies, would have a positive effect on the expansion of international trade and consequently on the growth of the global economy.

53. The economic growth of those countries and that of the developing countries was inextricably bound up with the international economic environment and, more than ever before, called for a strengthened multilateral system. The assistance provided to them should be concentrated on potential growth areas. The delegation of the Republic of Korea was convinced that the role of the United Nations and of the specialized agencies should be revitalized to meet that challenge.

54. Mr. TANASESCU (Romania) said that his country attached great importance to the question of the relationship between trade and development. An open world trade system could benefit all countries but was vital to developing countries and economies in transition. Economic growth depended on increased export earnings; at the same time, enhanced export opportunities were an incentive to foreign investment.

55. Romania had therefore embarked on a process of opening up its economy. It had established a new institutional framework to promote the development of trade within the context of a market economy and had undertaken wide-ranging reforms designed to stabilize the economy and lay the foundations for sustainable growth, in particular through rigorous monetary and fiscal policies and the privatization of State-owned companies. There were, of course, constraints; privatization, for instance, was restricted by the insufficiency of domestic private capital. The transition process as a whole was contingent on the international economic environment.

56. Romania also desired to conclude cooperation agreements with other countries and to develop its trade. In 1993, it had signed an association agreement with the European Community which had proved particularly beneficial. It had participated with great interest in the International Symposium on Trade Efficiency, jointly organized by UNCTAD and the Government of the United States of America, from which it had drawn the necessary conclusions. Such symposiums responded to the real needs of the new economic agents in the economies in transition, and action by international institutions in the field of international trade, whether global or regional, should be supplemented by information on trading practices and quality standards at the international level.

57. The Final Act of the Uruguay Round of multilateral trade negotiations held out the promise of a revival in international trade. Romania welcomed the establishment of WTO. For it to be successful, it was essential that all States should participate in its work. The economic revival registered in 1994 and the implementation of the provisions of the Final Act offered encouraging prospects for the world economy on the threshold of the year 2000.

58. He expressed his delegation's satisfaction with the report of the Secretary-General on the integration of the economies in transition into the world economy (A/49/330). Taken together with the World Economic and Social Survey and the Economic Survey of Europe it portrayed the efforts made by the economies in transition to overcome the hurdles they faced in adapting to the market economy and described the measures taken by United Nations organizations

to integrate them into the world economy. Romania counted on the support of the Economic Commission for Europe, which was the best placed agency within the United Nations system to provide assistance to the economies in transition.

59. Mrs. ARYSTANBEKOVA (Kazakhstan) said that she had carefully studied the Secretary-General's report entitled "Transit transport systems of the newly independent and developing land-locked States in Central Asia and their transit developing neighbours: current situation and proposals for future action" (A/49/277). The subject was of the utmost importance, for political as well as technical reasons, since the development of a modern transport infrastructure was crucial to the success of the region's democratic and economic transformation. Accordingly, it was to be hoped that the General Assembly would endorse the report's recommendations, particularly the recommendation that authoritative conclusions should be made available so that the necessary priorities could be established and support sought for implementation action needed to bring into being the new transit routes. While long-term solutions would require strenuous efforts on the part of the countries of the region, with the support of the international community, the competent international organizations should immediately focus their attention on the short-term problems and provide technical assistance, for instance in elaborating transit facilitation agreements, possibly within the framework of existing international conventions which set standard rules in the field of transport and transit. Kazakhstan and other countries were eager to develop cooperation in that sphere and had joined the Economic Cooperation Organization which was gaining momentum. The development of the transport infrastructure was high on the agenda of that organization's programme of work. Kazakhstan welcomed the development of cooperation between the new organization and UNDP, the Economic and Social Commission for Asia and the Pacific (ESCAP), the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA), as well as with the European Union.

60. In the broader context of the development of international trade, Kazakhstan welcomed the successful conclusion of the Uruguay Round and appreciated that the reliable and orderly multilateral trading system to which it would lead would benefit all. For Kazakhstan, as for other economies in transition, particularly the least developed and land-locked among them, to reap those benefits, however, its trading partners and international organizations should support national efforts to develop and diversify its trade. Success in those efforts required greater access to international markets, together with the restoration of severed traditional trade links and the establishment of favourable conditions for the expansion of trade and cooperation with developing countries. Given Kazakhstan's lack of experience with multilateral trade, her delegation viewed technical assistance from the competent international organizations as highly valuable and welcomed the conclusions and recommendations of the Secretary-General's report on strengthening international organizations in the area of multilateral trade (A/49/363) and the increasing role of UNCTAD in that process. There was no doubt that the integration of Kazakhstan's economy and the other economies in transition into the world economy would ensure the irreversibility of the current democratic reforms while

improving the international economic environment as a whole and strengthening global stability.

61. Unfortunately, the observations contained in the report on the integration of the economies in transition into the world economy (A/49/330) with regard to the economic performance of the countries in transition, the pace of their market reforms and the difficulties encountered applied to Kazakhstan. During the first quarter of 1994, Kazakhstan's gross domestic product had fallen by 30 per cent, compelling the Government to launch, in June 1994, a three-stage economic revival programme. The first stage (June-December 1994) aimed to bring inflation down to 10 per cent, thereby ensuring economic stability during the second stage (January-September 1995), which should pave the way for the third stage: a new economic policy based on price liberalization, legal reform in the field of taxation, banking and investment, consistent anti-inflation measures, improvement of entrepreneurial management and privatization.

62. Kazakhstan remained a strong supporter of regional cooperation and welcomed the establishment, at the most recent summit meeting of the Commonwealth of Independent States, of the Inter-State Economic Committee and Payment Union.

63. There was a misleading notion that Kazakhstan's rich mineral resources would enable it to move quickly towards the market economy. That belief overlooked how much Kazakhstan had to do to correct the serious imbalances in its economy and to establish the basic institutional infrastructure for a market economy. Like other economies in transition, Kazakhstan would not be able to tackle those problems without concerted support from the international community. Kazakhstan greatly appreciated the assistance provided by the United Nations system. Unfortunately, as the Secretary-General noted in his report (A/49/330), the international community's efforts to assist the economies in transition had not yet produced the expected results, and it was necessary to enhance coordination among all the donors, and in particular among United Nations bodies. While strongly supporting the continuation of the efforts under way, Kazakhstan believed that international organizations should pay greater attention to the diversity of the stages of development and the problems encountered.

64. The integration of the economies in transition into the world economy should be one of the priorities for action by the United Nations, and the Second Committee should take decisions on the important issues raised in the new spirit of cooperation and partnership that marked the negotiations in progress within the Committee.

The meeting rose at 12.15 p.m.